

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL MEMORANDUM

HB 2287 – SB 2267

April 23, 2012

SUMMARY OF AMENDMENT (017003): Deletes all language after the enacting clause. Effective January 1, 2013, deletes authorization for persons 60 years of age or older to obtain a non-photo driver license. Authorizes persons age 60 years or older to renew a non-photo bearing license for a fee of \$15.

FISCAL IMPACT OF ORIGINAL BILL:

Increase State Revenue – \$98,100

Increase State Expenditures – \$10,000/One-Time

FISCAL IMPACT OF BILL WITH PROPOSED AMENDMENT:

Increase State Expenditures – \$10,000/One-Time

Increase State Revenue – \$14,100/FY12-13

\$30,500/FY13-14 and Subsequent Years

Assumptions applied to amendment:

- According to the Department of Safety, 37,676 drivers will turn 60 years of age during the six months of FY12-13 beginning in January 2013.
- On average, 15 percent of drivers over 60 years of age choose to obtain a non-photo license.
- Approximately 5,651 ($37,676 \times 15\%$) drivers will be required to obtain a photo license that would have otherwise elected to obtain a non-photo license.
- The current price of a non-photo license is \$15 and the price of a photo license is \$17.50.
- An increase in state revenue of \$14,128 in FY12-13 ($\$2.50 \text{ difference} \times 5,651 \text{ additional photo licenses}$).
- In FY13-14, 81,345 drivers will turn 60 years of age. For the purpose of this fiscal memorandum, this number is assumed to remain constant in subsequent years.
- A recurring increase in state revenue of \$30,504 [$(81,345 \times 15\%) \times \2.50] beginning in FY13-14.

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- Any increase in workload at the 50 driver license centers can be handled within existing resources without an increased appropriation or reduced reversion.
- A one-time increase in state expenditures of \$10,000 for information technology programming to require a photograph on every driver license.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, appearing to read "Lucian D. Geise". The signature is fluid and cursive, with the first name "Lucian" written in a larger, more prominent script than the last name "Geise".

Lucian D. Geise, Executive Director

/jaw